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Multi-year funding framework

Timeline for the preparation of the UNDP end-of-the cycle assessment of performance (2004 to 2007)*

Summary

In response to Executive Board decision 2005/20, this document provides a timeline for the preparation of the UNDP end-of-cycle assessment of performance (2004 to 2007), inclusive of a road map for the preparation of the multi-year funding framework (MYFF) for 2008 to 2011. The Executive Board has agreed to the basic methodology and conceptual design for reporting on the current MYFF (decisions 2003/30 and 2004/1). UNDP continues to consider ways of refining the quality of reporting in an effort to strengthen oversight of UNDP operations by the Executive Board. The lessons learned from the end-of-cycle assessment of performance are an integral part of the process leading to the preparation of the MYFF, 2008-2011. The processes are complementary, and will enable the Executive Board to consider the evolving role of UNDP in the changing aid environment and the challenges and opportunities inherent in our continued engagement in United Nations reform, specifically in the follow-up to the 2005 World Summit.

*The compilation of data required to provide the Executive Board with the most current information has delayed submission of the present document.

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I. Background

1. The UNDP results-based management system was first introduced in 2000 and evolved into the comprehensive Multi-year funding framework (MYFF), 2000-2003, succeeded by the current MYFF, 2004-2007. The first performance and results report for 2004 was presented at the annual session of the Executive Board in June 2005 (Multi-year funding framework report on UNDP performance and results for 2004). The report was based on an analysis of country office results reports combined with findings from the partnership survey, the global staff survey, the 'balanced scorecard', and audit and evaluation reports.

2. The Executive Board welcomed the progress made towards a clear strategic focus and the overall commitment to results-based management. Simultaneously, the Board requested UNDP to further advance its methodology and to continue enhancing and refining the quantitative and qualitative measures contained in the MYFF so as to better analyse progress and results over time.

3. The organization continues to strengthen its results-based systems and staff capacity to better manage for development results. One initiative in this area is the introduction of PRINCE2, the internationally recognized project management method, used in public- and private-sector project management applications. The methodology is being adapted to the UNDP environment.

II. Present situation

4. The MYFF, 2004-2007, details the UNDP approach to results-oriented reporting, rooted in five practice areas and 30 service lines, complemented by cross-cutting concerns known as 'drivers of development effectiveness'. Progress towards intended outcomes of country and regional programmes is measured against annual targets established at the beginning of the year. Achievement of the annual targets and emphasis placed on the six drivers of development effectiveness are aggregated to illustrate the contribution of UNDP to development effectiveness.

5. Since the Millennium Development Goals (MDGs) provide the overarching vision for UNDP activities under the MYFF, the conclusions of the 2005 World Summit and the subsequent debate are especially pertinent. Equally important is the Paris Declaration on Aid Effectiveness and its emphasis on greater political commitment to the principles of country ownership, alignment, harmonization, and the results and mutual accountability that underlie the MYFF and broader United Nations reform efforts.

6. Based on the Millennium Project action plan, and as an immediate follow-up to the 2005 World Summit, UNDP launched an integrated package of services (IPS) in the final quarter of 2005 to support MDG-based national development strategies. The IPS comprises three pillars of services: (a) MDG-based diagnostics, investment and planning; (b) widening policy options; and (c) strengthening national capacity to ensure effective delivery of services at the national and local levels. On the harmonization side, efforts continue to be made towards reducing transaction costs for partners and agencies and increasing the

effectiveness and efficiency of United Nations interventions. An annual review process of the United Nations Development Assistance Framework (UNDAF) has been designed to assess progress towards achieving expected results as defined in the UNDAF results matrix. A common country programme document (CCPF) will be presented to the Executive Board for approval in June 2007.

7. The road map towards the UNDP end-of-cycle assessment and the new framework for 2008 to 2011 will be influenced by the vision and leadership of the new Administrator, and will include consideration of:

(a) The role of UNDP in United Nations reform at headquarters and at the regional and country levels;
(b) Specific follow-up to the outcome document;
(c) Positioning of the organization with respect to aid effectiveness dialogue and practice (e.g., in budget support environments); and
(d) Organizational structure and capacity;

III. Proposed time frame and focus of end-of-cycle assessment and road map for the next cycle.

8. To reflect the ongoing debate and respond to the momentum generated by the September 2005 World Summit, extensive consultations will take place with donors and programme countries. Informal consultations with Executive Board members, United Nations organizations and leaders in United Nations reform will be complemented by wide-ranging consultations with civil society organizations and within UNDP itself. The road map will also be an agenda item at the UNDP global management meeting, to take place in mid-February 2006. This process will apply new change management tools[1] and will be rolled out as follows:

Early February 2006 – Initial workshop to assess and review good practices in areas of UN reform and in the context of the current MYFF as a preliminary input to on-going discussions.

Mid-March 2006 – Larger, self-organized event, under an overall theme[2] that will raise and address issues that are most important to the participants and that will generate and propose innovative solutions.

End March 2006 – Subsequent workshop, similar to the mid-March event above, with civil society.

Early May 2006 – Virtual discussion with selected resident coordinators.

June 2006 – The MYFF report on performance and results for 2005 will be presented to the Executive Board, and the discussion will inform the preparation of the MYFF, 2008-2011. The report will include in-depth analysis of: (a) contributions to capacity development; and (b) consideration of the impact of the external environment on the implementation of UNDP priorities. The Executive Board has agreed to the basic methodology and conceptual design of reporting.

June 2006 – A more detailed paper on the emerging strategic vision, programme directions and organizational strategies.

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[1] 'Appreciative inquiry' and' open space technology'
[2] e. g., 'Achieving the Millennium Development Goals'

June 2006 – Review of programming arrangements that govern core programme resources allocations to programme countries, to be presented to the Executive Board for approval in June 2007.

Second half of 2006 – Face-to-face discussions on results reporting with various audiences, using conferences and workshops already planned by the UNDP regional centres;

Second half of 2006/first half of 2007 – From the above processes, a focus group will be selected to provide ongoing support; lead sensitizations consultations with national counterparts to validate findings; and participate in the road map leading to the finalization of the MYFF, 2008-2011.

Second half of 2006/first half of 2007 – Finalize validation exercises.

June 2007 – UNDP cumulative MYFF report will present a comprehensive review of results and progress achieved over the MYFF period. The lessons learned from this review will be a final input into the next MYFF, to be submitted to the Executive Board at the second regular session in September 2007.[3]

September 2007 – MYFF, 2008-2011, submitted to the Executive Board for approval.

9. By early 2007, the Atlas database will include 2004, 2005 and 2006 results. This will allow a trend analysis and that be used to validate the outcome of the consultation process by comparison with the road map. The aggregate findings and lessons learned will be important inputs towards the new MYFF cycle. Equally important, UNDP will be able to demonstrate improvements in performance and results.

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[3] Atlas hosts results reported against annual targets towards country programme outcomes for the entire MYFF period, 2004-2007. This dataset will provide an opportunity to detect trends, patterns and achievements in the five practice areas and the emphasis on the six drivers of development effectiveness.